

**Confidential – Internal Document – Do Not Release****Briefing Paper for HQ – May 2013****ALLIED PAPER/PORTAGE CREEK/KALAMAZOO RIVER SUPERFUND SITE**  
**ALLIED PAPER LANDFILL (Operable Unit 1), Kalamazoo, Michigan****SITE SUMMARY:**

- The Allied Paper Landfill is the largest of four disposal areas in the Allied Paper/Portage Creek/Kalamazoo River Superfund site, which also includes five former paper mill properties, approximately 77 miles of the Kalamazoo River, and a three-mile stretch of Portage Creek, all contaminated with polychlorinated biphenyls (PCBs). The Allied Paper Landfill is located in Kalamazoo, Michigan, while the larger NPL site spans Calhoun, Kalamazoo, and Allegan Counties in Michigan.
- PCBs are the main contaminant of concern at the site. PCB concentrations at the Allied Paper Landfill range from non-detect to 2,500 ppm. The quantity of wastes with PCBs >500 parts per million (ppm) is unknown. Five percent of all samples indicate PCB concentrations above 500 ppm, with sampling locations mostly biased towards the edge of the landfill. Site data indicate that the contamination poses a risk to human and ecological receptors via direct contact and ingestion of soils (including paper residuals) and from human consumption of fish that could be contaminated as a result of erosion and runoff of contaminated soils into Portage Creek and downstream to the Kalamazoo River. PCBs from Allied Landfill do not appear to be impacting off-site groundwater.

**CURRENT STATUS:**

- EPA is completing the feasibility study (FS) for the Allied Paper Landfill and is evaluating alternatives ranging from consolidation and capping (\$39 million) to complete removal (\$336 million). All of the alternatives (except No Action) in the draft FS meet the threshold criteria of protectiveness and compliance with ARARs.
- The City of Kalamazoo and most citizen groups insist that complete removal of the waste is the only acceptable alternative and will fight any alternative that would leave waste in place, citing threats to the city drinking water and the hazards posed by a landfill adjacent to residential areas that are Environmental Justice communities. The RI for the Allied Paper Landfill shows that groundwater at the landfill does not flow toward the City's municipal well field and does not threaten the well field.
- The City of Kalamazoo has a fixed-price quote from Environmental Quality (EQ), a TSCA landfill operator in Michigan, for complete removal at a cost of \$118 million. Region 5 is scheduling a meeting with the City of Kalamazoo and EQ to compare cost estimates for the total removal alternative. Region 5 will not finalize the FS until after its meeting with the City and EQ.
- Superfund management met with the Mayor of Kalamazoo in September 2012 and on March 12 and April 16, 2013. During the March 2013 meeting, Region 5 indicated that the proposed remedy would likely be a consolidation and capping remedy. During the April 2013 meeting, the mayor and other council members stated their intent to fight any alternative other than complete removal. Congressman Fred Upton has publicly stated that he supports the City's position.

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- Since mid-March 2013, an alliance of citizen groups and the City have garnered strong attendance at weekly meetings aimed at building support for their stance.
- Region 5 anticipates issuing a proposed plan for public comment during the summer of 2013, and will conduct further public outreach (availability sessions, fact sheets, etc.) prior to its issuance.

**BACKGROUND:**

- The PCBs at the site originated from operations associated with the recycling of carbonless copy paper, which contained PCBs as an ink carrier until 1971. Allied Paper, Inc. de-inked and repulped large amounts of carbonless copy paper at the paper mills associated with the Allied Paper Landfill.
- EPA conducted a time-critical removal action in 1998-1999 at the former Bryant Mill Pond (a former impounded section of Portage Creek adjacent to the Allied Landfill property) and consolidated the soils and sediments in the main body of the Allied Paper Landfill. The removal action addressed one of the greatest sources of PCBs to the creek and river system. Since the removal action, PCB concentrations in fish in that section of Portage Creek have dropped markedly.
- The Michigan Department of Environmental Quality (MDEQ) completed the RI after taking it over from the potentially responsible party, Millennium Holdings (successor to Allied Paper, Inc.). EPA approved the RI in March 2008 after EPA became the lead agency at the site.
- In 2007, as part of a time-critical removal action in the Kalamazoo River, the potentially responsible parties (PRPs) planned to consolidate the excavated soils and sediments at the Allied Paper Landfill. Due to public opposition, the excavated material was instead sent off-site for disposal.
- In 2009, Lyondell, the parent company of Millennium Holdings, filed for bankruptcy. The United States entered into a bankruptcy settlement agreement with Lyondell whereby \$50,050,000 was deposited into a Custodial Trust Response Cost Account for environmental actions for the Allied Paper Landfill property, and another \$50 million was placed in the site-wide special account. The funds in the Custodial Trust Response Cost Account, if not spent, can be transferred to the site-wide special account for use elsewhere at the site.
- Cleanup costs for the entire site could reach \$1 billion. Although other PRPs exist, site-wide cleanup costs will likely far exceed their available resources. These PRPs will likely argue that EPA should fund a significant portion of the site cleanup because of the “orphan share” created by the Millennium bankruptcy.
- EPA took over completion of the FS from Millennium following the Lyondell bankruptcy.
- Consolidation and capping remedies have already been selected for the other three disposal areas at the site. PCB concentrations in the waste at those landfills do not exceed 500 ppm. Those remedies are either already completed or underway.